

DEPARTMENT OF THE AIR FORCE
WASHINGTON DC



OFFICE OF THE ASSISTANT SECRETARY

APR 08 2005

MEMORANDUM FOR ALMAJCOM-FOA-DRU/FM

FROM: SAF/FM
1130 Air Force Pentagon
Washington, DC 20330-1130

SUBJECT: Rental Car Accidents and Insurance Claims While on Official Business Travel (Ref our 25 Jan 2005 memo, same subject)

Based on feedback received from the field, we coordinated with the Army Surface Deployment and Distribution Command (SDDC) to revise paragraphs 1 and 3 of the instructions attached in the referenced memo. For your convenience, we've attached the updated instructions with the changes highlighted. The changes are to better educate Air Force members on filing deadlines for insurance coverage and additional information regarding the use of SUVs and passenger vans. Please distribute this memo and revised instructions to all of your members. A copy of these instructions will also be posted on the AF Portal. Just sign on www.my.af.mil, and then click on **Life: Money: Travel Card**.

My point of contact for this memo is Ms. Josephine (Jodie) Davis, who can be reached at DSN 425-0933, commercial (703) 588-0933, or email josephine.davis@pentagon.af.mil. The point of contact for rental car policy, accidents, insurance coverage, and insurance claims is listed in the attached instructions.

A handwritten signature in purple ink, reading "J. G. Vonglis", is positioned above the typed name.

JOHN G. VONGLIS
Acting Assistant Secretary of the Air Force
(Financial Management and Comptroller)

Attachment:
April 2005 Revised Instructions

Rental Car Accident While on Official Business Travel: What should I do?

Background: Under the direction of the Office of the Secretary of Defense, the Surface Deployment and Distribution Command (SDDC) manages the U.S. Government Car Rental Agreement Program. SDDC has an Agreement with many rental car companies, which provides, among other things, insurance for damages to the rental car. The Agreement may be accessed at:

<http://www.sddc.army.mil/CONTENT/656/rentalcaragreement.pdf>

Although you use the DoD-sponsored, contractor-issued Government Travel Card to pay for your rental car, Bank of America is not the company providing rental car insurance or managing the rental car program. The travel card is just the vehicle used to pay for the rental. In most situations, you should not contact Bank of America.

There are several ways in which damage to your official rental car may be paid.

1. The rental car company will usually cover damages to the rental vehicle if it was rented under the agreement SDDC has with the rental car companies. However, the following criteria must be met: vehicle must be authorized on your orders; you must rent from a participating company and location; you must rent a vehicle covered under the agreement (i.e.,: SUVs and vans over 8 passengers are not always covered, depending on the rental company), and you must not be engaged in conduct covered under the 11 enumerated exceptions in the agreement (for example, driving under the influence, carrying passengers for hire, etc.)

2. All VISA cards have coverage provided by VISA USA (not Bank of America), which provides limited collision and theft coverage for the vehicle. A flyer on the coverage should have been included when you received your credit card. You must notify VISA USA within 20 days of an incident. Notification and questions can be directed to 1-800-VISA-911. This number is printed on the back of your travel card. Information on the coverage provided by VISA may be accessed at:

http://usa.visa.com/corporate/government_solutions/payment/visa_travel.html

3. If the vehicle is not covered under the SDDC Agreement, the rental car company may charge your credit card for the damages, or the rental company may file directly with the Air Force. If charged to your credit card and you were on official business, not engaged in misconduct, you may then seek reimbursement for the cost of the damages. Payment would be made as a miscellaneous expense and must be routed through your base legal office for approval. See JFTR, Vol I, para U3415C2 or JTR, Vol II, para C2102.D.2.

How Do I Rent a Vehicle Under the SDDC Agreement?

- The JFTR, para U3415B and JTR, para C2102B1 requires a traveler rent a vehicle through the Commercial Travel Office (CTO).
- The CTO generally reserves a vehicle from a company and location, which is part of the SDDC Agreement.
- Under Paragraph 8 of the SDDC Agreement, "Government employees who are age 18 or older, if otherwise eligible, may rent and operate vehicles under this Agreement when on official business."
- The employee must be on official travel status and authorized a rental car.

What should I do if I have an accident?

1. Call the police and file an accident report when the accident occurs. Ensure that you get a copy of the accident report, as you will need to provide this report to the rental car company.
2. As soon as possible, notify the rental car company. If required, request a replacement rental car and, if applicable instructions for the disposition of the disabled vehicle. You must complete the rental car company's accident report form. Ensure that you keep a copy of anything that you submit.
3. Call VISA at 1-800-VISA-911 to report any damage to the rental vehicle.
4. Notify your supervisor.
5. Maintain copies of all documents, including your rental car agreement. Keep a list of all names and dates for your personal records. Contact the Air Force legal office nearest your TDY location to report the accident. If you cannot contact that legal office, contact the legal office at your home station when you return.

What will the rental car company do? The rental car company will conduct an investigation to determine liability for damage to the rental car and damage to any other persons or property. It will then seek reimbursement for any damages to the rental car, if appropriate.

What if the rental car company charges the damages to my individually billed Government travel card account? If you rented the vehicle under the SDDC Rental Agreement, and were performing official duty at the time of the damage, the rental car company is prohibited from charging your Government Travel Card. However, if this does happen:

1. Immediately contact the rental car company and advise the company of the error. First, try the local office where you rented the car. If the local office is not responsive, call the company's point of contact for the SDDC Agreement. Each company subscribing to the SDDC Agreement is required to have a point of contact familiar with the provisions of the SDDC Agreement. The list of representatives (with toll-free numbers) may be accessed at:
<http://www.sddc.army.mil/CONTENT/660/participatinglisting.pdf>
2. If your travel card bill payment is coming due, you should consider disputing the transaction with Bank of America. Otherwise, you may be charged interest or penalties for failure to make your credit card payment on time. You will find the instructions for disputing credit card transactions on the back of your Government travel card statement. Once Bank of America receives your written disputed charge; they are required by law to follow certain procedures. A dispute form and instructions can be found on Bank of America's website at: <http://www.gcsuthd.bankofamerica.com> under **Program Forms**.
3. If contacting the rental car company representative listed on the SDDC website does not clear up the dispute, contact your servicing Air Force legal office for assistance.
4. Remember, sometimes a charge to your travel card is appropriate. If you rented a vehicle not covered under the SDDC Agreement, the damage may be charged to your travel card. Likewise, if you were not using the vehicle in the course of your official duties, your card may also be properly charged. Under the JFTR, para U3415G and the JTR, para C2102E, official purposes are limited to travel to and from duty sites, lodgings, dining facilities, drug stores, barbershops, places of worship, cleaning establishments, and similar places required for the traveler's health, subsistence, and comfort. Travel to such places must also be reasonable (driving 50 miles to an eating establishment would not likely be considered reasonable).

What happens if I'm contacted by the rental car company or another person (or their insurer or attorney) about paying damages to another party involved in the accident? You should immediately contact your servicing Air Force legal office (specifically, the claims office). So long as you were acting in the scope of your employment at the time of the incident, the United States will defend you (and pay any damages).

Review the official SDDC website: www.sddc.army.mil, or contact the following for additional information/instructions and contacts.

Air Force Contact: Your Servicing Legal Office

SDDC Contact: Ms. Christine Braswell, Traffic Management Specialist
U. S. Government Rental Car Program
SDDC
(703) 428-3008 (DSN 328-3008)
Email: braswellc@sddc.army.mil